



# **CHILD RESCUE NEPAL**

**Trustees' Report and Financial Statements  
for the year ended 31 July 2021**

**REGISTERED CHARITY NUMBER: 1078187**

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# CHILD RESCUE NEPAL

## CHARITY INFORMATION

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### TRUSTEE

Child Rescue Nepal Limited

### CHIEF EXECUTIVE

Joanna Bega

### CHARITY NUMBER

1078187

### CHARITY OFFICE

St Clement's  
1 St Clement's Court  
London EC4N 7HB

### WEBSITE

[www.childrescuenepal.org](http://www.childrescuenepal.org)

### BANKERS

CAF Bank  
25 Kings Hill Avenue  
West Malling  
Kent ME19 4JQ

### INDEPENDENT EXAMINER

Phillip Roberts  
Roberts & Co.  
Chartered Accountants  
136 Kensington Church Street  
London W8 4BH

### ACCOUNTANTS

Charity Accounting Services Limited  
Suit 109, Sutton Point  
6 Sutton Plaza, Sutton  
London SM1 4FS

# CHILD RESCUE NEPAL

## Report of The Trustees for the year ended 31 July 2021

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The Directors of the Corporate Trustee are pleased to present their report together with the financial statements of the charity for the year ended 31 July 2021. Legal and administrative information set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102).

### ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Child Rescue Nepal (CRN) is a UK charity constituted by a Declaration of Trust on 27 September 1999, with charity registration number 1078187. The Trust is governed by a corporate body, Child Rescue Nepal Limited, which was incorporated on 8 June 2012.

The following served as Directors of Child Rescue Nepal Limited throughout the year other than as shown below:

Mr. D. J Webber (Chair)  
Mr. N. Sankey  
Ms M. Turner (resigned 12 December 2021)  
Mr. J. Pow  
Mr. D. J Nicholls  
Miss J. M Lee  
Ms L. Baker (resigned 27 January 2022)  
Mr D.E Westgate  
Mr J. Karki (appointed 22 June 2021)  
Ms S. Budhathoki (appointed 8 September 2020)

Although the individuals named above are Directors of the Corporate Trustee, they are referred to as Trustees in this report.

New Trustees are recruited through open recruitment as well as through personal contacts of the Trustees and other supporters of the Trust. It is intended that the Trustees bring a range of skills to the charity and provide guidance on issues including child protection, finance, fundraising and human resource management. These skills are reviewed annually. All new Trustees receive an induction at the CRN offices which is supplemented with support materials. Trustees are encouraged to visit the charity's projects in Nepal when possible, with at least one Trustee making a visit each year. Obviously, this has not happened recently due to Covid-19 but we hope that visits will resume in 2022.

The Trustees have met every two months during the year – remotely during the Coronavirus lockdown. Decisions are taken by majority vote, with the Chairman holding a casting vote; in practice, decisions are unanimous.

CRN'S offices are in London where the charity is administered, and fundraising activities are coordinated. For the entirety of this accounting period the Chief Executive of the charity, Joanna Bega, worked four days a week, supported by a part-time Administrator.

CRN works in Nepal through its operational office, the iNGO, CRN (Nepal branch), which exists under a renewable five-year agreement with the Government of Nepal.

Jamuna Shrestha, the Country Director, has been in post since 2016. Jamuna conducts the operational activities of the Trust and manages staff in our Nepal office. Jamuna is in regular

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## Report of The Trustees for the year ended 31 July 2021

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contact with the CEO in the UK by email and fortnightly Skype calls. Outside of Covid-19 restrictions, the CEO visits Nepal twice a year to support staff, visit the charity's operations and report to the Trustees.

CRN (Nepal branch) exists to support autonomous 'implementing partner' NGOs. During this reporting period, this has been the Esther Benjamins Memorial Foundation and Shakti Samuha, who are both based in Kathmandu. Whilst most of our programme work in Nepal is carried out by EBMF, we have worked in partnership with Shakti Samuha since March 2018 to run a Safe House for rescued girls.

EBMF also has a branch office in Hetauda, Makwanpur District. This district has been a main child trafficking area and the Hetauda office serves as an invaluable local presence in the fight against trafficking. Kathmandu and Hetauda are also the locations of EBMF's care homes for children.

The Chairman of EBMF, Karna Sher Tamang, is currently resident in the UK and CRN has benefitted greatly from his wisdom and the increased liaison between the two partners. Karna attends some UK Trustee meetings by invitation.

CRN continues to provide administrative support to the Miteree Foundation, a small NGO also based in Kathmandu, Nepal.

### OBJECTIVES AND ACTIVITIES

CRN's objectives as set out in the Declaration of Trust are to provide relief to children and young people directly or indirectly anywhere in the world who are in conditions of need, hardship or distress (beneficiaries) in such a way as the Trustees think fit. For the time being this objective is interpreted as being children who are Nepali.

#### **The main activities undertaken in relation to those purposes during the year**

Our work in Nepal is delivered through two partner organisations - the Esther Benjamins Memorial Foundation (EBMF) and Shakti Samuha (SS). Working through our partners, we have the following aims:-

1. Conduct rescue operations where vulnerable children are identified as having been trafficked and engaged as child labourers, and temporarily house these children in one of two safe houses while we trace their families.
2. Reintegrate children with their family, and provide their families with a comprehensive, long-term package of post-integration support.
3. Provide longer term care to children who cannot safely return to their homes.
4. Support older rescued children through a transition programme to become independent adults through education, vocational training and tailored outreach support.
5. Conduct research, give victims of child trafficking a voice, share learning and collaborate with like-minded organisations to undertake evidence-based advocacy and government capacity building on child trafficking and child labour issues.
6. Keep vulnerable children safe in schools through funding the improvement of basic facilities and giving other education support to prevent at-risk children dropping out.
7. Raising awareness of child trafficking, child labour and child slavery among at-risk rural communities.

### CORONAVIRUS CONTEXT

In February 2020, the world was hit by a pandemic, and this continued to restrict our work through

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## Report of The Trustees for the year ended 31 July 2021

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2021. Nepal experienced a series of severe lockdowns, with schools only re-opening properly towards the end of 2021. Both Nepal and UK staff worked from home during this period, and our programmes were severely affected by the lack of permitted movement.

With our normal programmes on pause, we focused on the safety and wellbeing of the children in our care, as well as children who had been reintegrated with their families. Because so many people in Nepal are daily cash wage earners, we sent money and food parcels to those reintegrated families who were struggling to eat. In addition, we continued our work of supporting communities in Makwanpur (where we had existing relationships through the schools) with safety equipment (like masks and sanitiser), emergency food parcels and handwashing stations for busy junctions.

In May 2021 we launched our second Coronavirus Appeal, which raised just over £65,000. As a direct result we were able to fund the following: -

- Emergency food packages for 635 families which included rice, lentils, oil, salt and soap
- Five sets of PPE (personal protective equipment) for community health workers, and 40 litres of sanitiser, 30 litres of hand wash, 3,500 gloves and 2,500 masks to community health posts so people could continue to be cared for safely
- 635 hygiene kits for children and families containing hand sanitiser, soap, comb, nail clippers, toothbrush, toothpaste, hair oil, hand towels and sanitary towels for girls.

## ACHIEVEMENTS AND PERFORMANCE OF THE CHARITY DURING THE YEAR

### **1. Conduct rescue operations where vulnerable children are identified as having been trafficked and engaged as child labourers, and temporarily house these children in one of two safe houses while we trace their families.**

In July 2016 we established our Safe House (transit home) in Kathmandu. This is a place where newly rescued boys stay for a maximum of six months. Here they receive medical attention, nutritious food, warm clothes and education while we trace their families. We then develop and deliver a tailored support package for each family. Children who are unable to return home safely, and who are at high risk of being re-trafficked, are given longer term places at one of our small family-style homes.

In March 2018, we established our second Safe House in Kathmandu, called Marigold House. This is run by our local partner, Shakti Samuha, and is exclusively for girls who have been rescued from sexual exploitation. In addition to specialised emotional support, girls at Marigold House learn practical skills such as self-defence and textile weaving. Where possible, girls are encouraged to restart their education.

Over the course of the year, we rescued eight boys and six girls; this is a much lower number than planned due to the effects of Covid-19. Observation visits have been restricted, shops and factories are closed and government departments have had staff shortages. However we were pleased to have achieved this number of rescues within this very challenging environment.

Preceding each rescue, our teams carry out covert observations. A multi-agency meeting is then called. Once a rescue is authorised, it is carried out in the presence of local police, social workers and government officials.

In October and November 2020, with our longstanding partner EBMF, we rescued two boys – one working in a motorcycle garage and the other a metalwork factory. In January 2021, we rescued

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## Report of The Trustees for the year ended 31 July 2021

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two more boys; one was repatriated from India where he had been working in a bag factory and the second from a welding shop in Kathmandu. In February 2021, we rescued a further two boys from a restaurant and a construction site in Kathmandu. And in March 2021 we rescued a boy from another welding shop. They had all been working long hours in hazardous conditions for little or no pay.

*Case study: We rescued 14-year-old Ishwar (name changed) from a metalworking factory in January 2021. Home life was very difficult for Ishwar. His father was an alcoholic, and regularly beat up the other members of his family. Ishwar's mother joined forces with some of the other villagers and managed to get Ishwar's father admitted to a drug rehabilitation centre for six months. Ishwar and his mother came to Kathmandu where Ishwar's uncle had a factory that made iron grills for windows. He promised to enrol Ishwar in school, but that never happened. Instead, Ishwar worked in the factory from 9am to 6pm without any training or safety equipment.*

*When we found Ishwar he was terrified. He was afraid of the police and didn't want to say anything. Gently we won his trust and he told us his story. We made contact with Ishwar's mother, but she said she couldn't afford to feed her son or pay for school expenses. We decided that it was best to keep Ishwar with us in the short term and made sure that they kept in touch.*

*When Ishwar's father came out of rehab, he was a different man. He went back to live with his wife again, and we observed the family situation for three months. Finally, everyone agreed that Ishwar and his family were ready to be reunited, and in the presence of ward representatives, the papers were signed. Ishwar is now living with his father and mother in a room on the outskirts of Kathmandu. His father is working, his mother is a housewife and Ishwar is enrolled at a local school. We are in regular contact and will continue to support the family as much as is needed. When he completes his education, Ishwar will join our youth training programme.*

During the same reporting period, our other partner, Shakti Samuha, rescued six girls from sexual exploitation. Following their rescues, they received specialised care and support at our safe house, Marigold House. None of the six girls have been reunited with their families yet, but we hope to make progress once lockdowns are lifted. At the end of this period, we had seven girls living at Marigold House.

### **2. Reintegrate children within their families, and provide their families with a comprehensive, long-term package of post-integration support.**

Out of the 14 children rescued this year, five boys have been reintegrated successfully with their families. Two boys have moved across into our Kathmandu care home, while one remains in our transit home. One girl has moved to another shelter home and five girls are still living in Marigold House (alongside two who were already there).

Seven girls remain in Marigold House, as reintegrating girls is challenging due to the stigma associated with working in the sex industry. However, we are in touch with their families and hope that in some cases reintegration may still be possible. If it is not possible, we will continue to support the girls into adulthood and independence.

We believe that the best place for children is with their families, which is why we continue to trace families and pave the way for children to return home safely even if they have been in our care for many years. We continue to offer monthly financial support to seven children who are back home and living with their families, and nine previously rescued children for their education costs only.

### **3. Provide longer-term care to children who cannot safely return to their homes.**

Since our founding in 1999 we have rescued nearly 900 children, with the majority successfully returned to their families. A small number of children who cannot currently go home – due to child

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## Report of The Trustees for the year ended 31 July 2021

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protection issues or difficulties in tracing the child's family – live in small, family-style homes in Kathmandu and Hetauda. During their stay with us, meaningful and regular family contact is fully encouraged and supported.

We have two care homes (one for girls and one for boys) which each accommodate a maximum of 12 children, to ensure that each child receives a high level of care and attention. We also have a half-way house with 6-bed capacity. Over the course of the year, we have directly supported 26 children in this way. We ensure that every child receives an education, and we continue to support them as they turn 16, offering vocational training or further education to enable them to achieve a fully independent adulthood.

#### **4. Support older rescued children through a transition programme to become independent adults through education, vocational training and tailored outreach support.**

Through our Youth Transition Programme, we are helping rescued young people to achieve independence through attending further education or vocational skills training. We pay their enrolment fees and support them with a basic grant. For young people who are living outside of their family – either in a government-run training hostel or independent accommodation – we pay for their accommodation, food and medical expenses. We also support young people in finding safe accommodation and visit them regularly to provide ongoing support throughout the duration of their course.

Our Youth Transition Programme continues to be generously funded by the Foux Foundation and the Andrews Charitable Trust. We are currently supporting 14 young people in higher education and six in vocational training. In the past year, eight young people have graduated from the programme and are now in full time, paid employment.

In addition, funding from the Andrews Charitable Trust enabled us to establish a halfway house in October 2020. This is to bridge the gap between living in a care home and moving into fully independent housing. We rented an apartment in Kathmandu which can accommodate six young people at any one time.

#### **5. Conduct research, give victims of child trafficking a voice, share learning and collaborate with like-minded organisations to undertake evidence-based advocacy and government capacity building on child trafficking and child labour issues.**

Covid-19 restrictions prevented many of these collaborative activities from happening this year. However, we were able to continue running life skills training with the young people in our care homes, where (amongst other skills) they learn empowerment skills and find out how they can tell their stories in a positive way. In addition, we commissioned a piece of research exploring the accommodation issues that young people face when leaving full time care. This was funded by the Andrews Charitable Trust.

#### **6. Keep vulnerable children safe in schools through funding the improvement of basic facilities and giving other education support to prevent at-risk children dropping out.**

Over the course of the year, we trained 82 teachers in child-friendly teaching methods, leading to brighter classrooms, more tailored learning programmes, a renewed focus on children with special needs and an end to teachers beating children.

To improve the personal hygiene of children and to help them stay safe during the pandemic we provided 1,210 hygiene kits. We also installed a handwashing station in one school, benefitting 700 children and many more in the years to come.

We supported five community schools by equipping early years classrooms and setting up libraries, benefitting a total of 1,238 children.



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## Report of The Trustees for the year ended 31 July 2021

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We also provided 1,300 educational bursaries to at-risk students to encourage them to attend and remain in school. The bursaries include books, pens, calculators and school bags.

*Case study: Three young sisters aged 6, 8 and 9 were struggling after their parents were tragically killed last year by a lightning strike. Instead of happily attending school, they became a burden to their relatives. Their uncle took them in, providing shelter and food in his home, but they had to drop out from school as he could not afford to buy the necessary equipment needed (stationery, uniform and school bag).*

*When their school re-opened after the first lockdown in November 2020, the girls didn't return. The teachers were worried about them and visited the children to find out what was going on. When they reached the uncle's home, the team found that the uncle was planning to send 9-year-old Nita to Chitwan city to work as a domestic labourer.*

*When the teacher asked the uncle why he wanted to send Nita away, he kept silent for some time and looked at the floor. Then said quietly, "I do not have any other option as I am very poor and I can't afford the equipment that these three children need for school. I cannot pay for stationery, books and uniform. I can barely provide two meals a day - so how can I send them to school? This is beyond my capacity".*

*The school immediately contacted us and we confirmed that we could provide each girl with a yearly educational bursary. After hearing this news, their uncle cried and said "thank you for this wonderful support. Now I do not need to send the girls anywhere and they can continue with their studies."*

*We are now regularly providing bursaries for these girls and will continue to support them and monitor their progress. The sisters are very pleased to be back at school with their friends.*

### **7. Raising awareness of child trafficking, child labour and child slavery among at-risk rural communities.**

We delivered anti-trafficking awareness-raising activities among parent groups in seven communities in the district of Makwanpur, attended by 357 people. The sessions highlighted the risk posed to children by traffickers luring them away from their families with the promise of marriage and work opportunities, who instead sell them at the earliest opportunity.

We continue to broadcast daily anti-trafficking radio jingles in two languages (Nepali and Chepang), broadcasting the message to approximately 111,000 people in Makwanpur and the neighbouring districts each year.

### **Fundraising activities during the year**

The charity relies on gifts from generous individuals and grants from a range of trusts, whose support is greatly valued. We are also grateful for the generosity of our long-term partner, Namaste UK. The Coronavirus meant that the London Marathon and other fundraising events were cancelled or deferred, but we did benefit from the Big Christmas Give in December 2020 (£30,155), our March4March challenge in March 2021 (£13,000) and an Emergency Appeal in May 2021 (£65,000).

### **PUBLIC BENEFIT**

The Trustees have given due regard to the guidance on public benefit published by the Charity Commission and always make this a consideration when discussing and authorising proposed activities.

CRN carries out a range of activities in support of our charitable aims. The Trustees consider these activities, summarised below, to have made a proven difference to the beneficiaries of the charity – namely vulnerable children and communities in Nepal – through:

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## Report of The Trustees for the year ended 31 July 2021

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- Rescuing 'at-risk' children from dangerous and abusive situations
- Caring for 'at-risk' children and providing them with a safe and healthy living environment
- Providing a transition programme for 16–18-year-olds to help them achieve job skills and independence
- Raising awareness of trafficking in rural communities to keep children safe
- Distributing bursaries to children who otherwise couldn't afford to attend school

### FINANCIAL REVIEW

The financial position of the charity at 31 July 2021 and comparatives for the prior year, as more fully detailed in the accounts, are summarised as follows:

	2021	2020
	£	£
Net Income	46,816	237
Unrestricted funds available for the general purposes of the charity	312,963	194,377
Restricted funds	42,065	113,835
Total funds	<b>355,028</b>	<b>308,212</b>

### Financial review of the position at the reporting date, 31 July 2021

Income for the year was £486,518 compared to £430,421 in 2020. This income was made up of restricted income of £168,386 and unrestricted income of £318,132.

Expenditure for the year was £439,702 compared to £430,184 in 2020.

The Trustees consider the financial performance by the charity during the year to have been satisfactory given the challenging economic circumstances for small charities.

### INVESTMENT POWERS

Under the Trust Deed the charity has the power to make any investment which the Trustees see fit.

### RESERVES

The Trustees policy is to hold three months UK costs and six months Nepal costs on the understanding that this would provide adequately for children in the care of the charity. At the moment this figure stands at £168,000.

# CHILD RESCUE NEPAL

## Report of The Trustees for the year ended 31 July 2021

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In view of the number of children involved, the Chief Executive is required to formally notify Trustees if free reserves fall below £200,000 so they can consider if any remedial action is necessary.

Included within unrestricted funds at 31 July 2021 the Trustees have also designated £15,000 for currency fluctuations.

### RISK MANAGEMENT

The Trustees actively review the major risks which face the charity on a regular basis, with a Risk Assessment report available online and highlighted at every Trustee meeting. They believe that maintaining reserves at adequate levels, combined with an annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and believe that the systems in place to mitigate significant risks offers the Trust adequate protection.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the statutory and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# CHILD RESCUE NEPAL

## Report of The Trustees for the year ended 31 July 2021

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Approved by the Board on May 23, 2022 and signed on its behalf



David Webber  
Chair of the Trustees

# CHILD RESCUE NEPAL

## Independent Examiner's Report of The Members of Child Rescue Nepal

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I report to the Trustees on my examination of the financial statements of Child Rescue Nepal ('the charity') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities 2011. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work, for this report, or for the opinion I have formed.

### Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of your charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view, and my report is limited to those specific matters set out in the independent examiner's statement.

### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statement to be reached.



**Phillip Roberts FCA**

Roberts & Co.  
Chartered Accountants  
136 Kensington Church Street  
London  
W8 4BH

Date: May 23, 2022

**CHILD RESCUE NEPAL**  
**Statement of Financial Activities**  
**for Year Ended 31 July 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
<b>INCOME</b>					
Donations and legacies	5	301,113	168,386	469,499	379,502
Activities in generating funds	5	12,420	0	12,420	45,848
Investment income	5	38	0	38	491
Other income	5	4,561	0	4,561	4,580
<b>TOTAL INCOME</b>		<b>318,132</b>	<b>168,386</b>	<b>486,518</b>	<b>430,421</b>
<b>EXPENDITURE</b>					
Raising funds	6a	9,747	0	9,747	13,007
Charitable activities	6b	189,799	240,156	429,955	417,177
<b>TOTAL EXPENDITURE</b>		<b>199,546</b>	<b>240,156</b>	<b>439,702</b>	<b>430,184</b>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>118,586</b>	<b>(71,770)</b>	<b>46,816</b>	<b>237</b>
Transfer between funds		0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>		<b>118,586</b>	<b>(71,770)</b>	<b>46,816</b>	<b>237</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>194,377</b>	<b>113,835</b>	<b>308,212</b>	<b>307,975</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>312,963</b>	<b>42,065</b>	<b>355,028</b>	<b>308,212</b>

The accompanying notes form an integral part of these financial statements

**CHILD RESCUE NEPAL**  
**Statement of Financial Activities**  
**for Year Ended 31 July 2021**

**Prior year SOFA Analysis**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
<b>INCOME</b>					
Donations and legacies	5	293,044	86,458	379,502	343,152
Activities in generating funds	5	45,848	0	45,848	50,081
Investment income	5	491	0	491	410
Other income	5	4,580	0	4,580	0
<b>TOTAL INCOME</b>		<b>343,963</b>	<b>86,458</b>	<b>430,421</b>	<b>393,643</b>
<b>EXPENDITURE</b>					
Raising funds	6a	13,007	0	13,007	10,260
Charitable activities	6b	403,465	13,712	417,177	375,005
<b>TOTAL EXPENDITURE</b>		<b>416,472</b>	<b>13,712</b>	<b>430,184</b>	<b>385,265</b>
NET INCOME/(EXPENDITURE) FOR THE YEAR		(72,509)	72,746	237	8,378
Transfer between funds		0	0	0	0
NET MOVEMENT IN FUNDS		(72,509)	72,746	237	8,378
TOTAL FUNDS BROUGHT FORWARD		266,886	41,089	307,975	299,597
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>194,377</b>	<b>113,835</b>	<b>308,212</b>	<b>307,975</b>

# CHILD RESCUE NEPAL

## Balance Sheet as at 31 July 2021

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	8	264	648
<b>CURRENT ASSETS</b>			
Debtors	9	30	1,503
Cash at bank and in hand		<u>361,801</u>	<u>310,875</u>
		361,831	312,378
<b>CREDITORS:</b>			
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	10	<u>(7,067)</u>	<u>(4,814)</u>
<b>NET CURRENT ASSETS</b>		354,764	307,564
<b>NET ASSETS</b>		<u><b>355,028</b></u>	<u><b>308,212</b></u>
<b>FUNDS OF THE CHARITY</b>			
Restricted funds	11	42,065	113,835
Unrestricted funds	11	312,963	194,377
<b>TOTAL CHARITY FUNDS</b>		<u><b>355,028</b></u>	<u><b>308,212</b></u>

Approved by the Trustees and signed on their behalf on May 23, 2022.



David Webber  
Chair of the Trustees

The accompanying notes form an integral part of these financial statements.



# CHILD RESCUE NEPAL

## Notes to the Financial Statements

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### 1. ACCOUNTING POLICIES

#### a. Basis of preparation of accounts

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### b. Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised once received. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.

#### c. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attached to that grant is outside of the control of the charity.

#### d. Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### e. Governance costs

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

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Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examiner's fee together with other overhead costs.

### **f. Tangible fixed assets**

Tangible fixed assets are measured at their original cost value, or subsequent revaluation. Cost includes all costs expended in bringing the assets into their intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual values over the period of their useful lives.

Office equipment – 25% straight line

### **g. Support costs**

Support staff salary costs are allocated as appropriate to Charitable Activities as shown therein.

### **h. Financial instruments**

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Short term debtors and creditors:

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities in 'administrative expenses.'

Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand.

Offsetting:

Financial assets and liabilities are offset, and the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **i. Fund structure**

The charity has a single permanent fund. The terms of the Trust Deed allow the income to be accumulated and the capital to be spent if the Trustees so determine.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or Trust Deed.

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, wish to create a fund for a specific purpose.

### **j. Judgements and key sources of estimation uncertainty**

There are no judgements or estimates that have been made in the process of applying the above accounting policies.

## **2. LIABILITY TO TAXATION**

The charity is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

### 3. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

### 4 NET INCOME/(EXPENDITURE) FOR THE YEAR

	2021	2020
	£	£
Net income/(expenditure) for the year is stated after charging:		
Depreciation	384	384

### 5 ANALYSIS OF INCOME

	Unrestricted funds	Restricted funds	2021 Total	2020 Total
	£	£	£	£
Incoming resources from generated funds				
Voluntary income:				
Public donations including Gift Aid	203,436	31,787	235,223	185,695
Corporate donations	21,860	1,450	23,310	43,953
Child sponsorship	19,003	0	19,003	21,151
Grants received	40,261	135,149	175,410	125,256
Legacies	16,553	0	16,553	3,447
	<b>301,113</b>	<b>168,386</b>	<b>469,499</b>	<b>379,502</b>
Activities for generating funds:				
Events	12,420	0	12,420	45,848
Investment income	38	0	38	491
HMRC Job Retention Scheme	4,561	0	4,561	4,580
	<b>17,019</b>	<b>0</b>	<b>17,019</b>	<b>50,919</b>
<b>Total Income</b>	<b>318,132</b>	<b>168,386</b>	<b>486,518</b>	<b>430,421</b>

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

### 6 ANALYSIS OF EXPENDITURE

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
<b>a. Raising funds</b>				
Fundraising, publicity and marketing	7,437	0	7,437	10,093
Other fundraising activities	2,310	0	2,310	2,914
<b>Total fundraising costs</b>	<b>9,747</b>	<b>0</b>	<b>9,747</b>	<b>13,007</b>
<b>b. Charitable activities</b>				
<b>Governance costs</b>				
Independent examiner's fee	2,400	0	2,400	2,400
	<b>2,400</b>	<b>0</b>	<b>2,400</b>	<b>2,400</b>
<b>Project costs</b>				
Employment costs	72,691	0	72,691	80,718
Monitoring and support	118	0	118	1,976
Nepal project costs	95,158	240,156	335,314	307,785
	<b>167,967</b>	<b>240,156</b>	<b>408,123</b>	<b>390,479</b>
<b>Support costs</b>				
Other employee costs	-677	0	-677	3,794
Premises expenses	3,387	0	3,387	5,465
Office costs and administrative overheads	4,845	0	4,845	2,893
Professional fees and insurance	9,222	0	9,222	9,222
Bank charges	2,271	0	2,271	2,540
Depreciation	384	0	384	384
	<b>19,432</b>	<b>0</b>	<b>19,432</b>	<b>24,298</b>
<b>Total expenditure on charitable activities</b>	<b>189,799</b>	<b>240,156</b>	<b>429,955</b>	<b>417,177</b>

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

### 7 STAFF COSTS

	Unrestricted funds £	Restricted funds £	Total Funds 2021 £	Total Funds 2020 £
Wages & Salaries	66,545	0	66,545	72,258
Social Security Costs	2,923	0	2,923	4,735
Pension Cost	3,223	0	3,223	3,725
	<b>72,691</b>	<b>0</b>	<b>72,691</b>	<b>80,718</b>

	2021	2020
Staff Numbers (average number of staff)	2	2

No employee received a salary in excess of £60,000, in the current year (2020: none).

Trustees were not paid remuneration in either period. No trustee received reimbursed expenses in the year (2020: nil).

Key management personnel include the Trustees and the Chief Executive. The total employee benefits (including gross pay and employer national insurance contributions) of the charity's key management personnel were £53,707 (2020: £53,654). Pension contributions paid by the company for key management personnel totalled £5,039 (2020: £3,003). Excluding the trustees, there was one key management personnel (2020: one) that received remuneration during the year.

### 8 TANGIBLE FIXED ASSETS

Cost	Office equipment £
At 31 July 2020 and 2021	1,920
<b>Depreciation</b>	
At 31 July 2020	1,272
Charge for the year	384
<b>At 31 July 2021</b>	<b>1,656</b>
<b>Net book values</b>	
At 31 July 2021	264
At 31 July 2020	648

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

### 9 DEBTORS

	2021	2020
	£	£
Prepayments and accrued income	0	1,503
Other debtors	30	0
	<u>30</u>	<u>1,503</u>

### 10 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Accruals	3,834	3,834
Other creditors	3,233	980
	<u>7,067</u>	<u>4,814</u>

### 11 FUND RECONCILIATION

	At 31.7.2020	Income	Expenditure	Fund Transfer	At 31.7.2021
	£	£	£	£	£
<b>Unrestricted Funds</b>					
Unrestricted free reserve	149,377	318,132	(199,546)	0	267,963
<b>Designated</b>					
Currency fluctuations	15,000	0	0	0	15,000
Future rescue operations	30,000	0	0	0	30,000
<b>Unrestricted total</b>	<u>194,377</u>	<u>318,132</u>	<u>(199,546)</u>	<u>0</u>	<u>312,963</u>
<b>Restricted Funds</b>					
Guernsey Aid	20,874	0	(20,874)	0	0
Marigold House	30,390	4,915	(34,282)	0	1,023
Safe in School	11,889	23,405	(24,000)	0	11,294
Teacher Training	3,752	13,741	(15,000)	0	2,493
Miteree Foundation	6,637	5,750	(10,000)	0	2,387
VOC Training Youth	10,000	59,351	(46,000)	0	23,351
COVID Appeal	30,293	61,224	(90,000)	0	1,517
<b>Restricted total</b>	<u>113,835</u>	<u>168,386</u>	<u>(240,156)</u>	<u>0</u>	<u>42,065</u>
<b>Total funds of the charity</b>	<u>308,212</u>	<u>486,518</u>	<u>(439,702)</u>	<u>0</u>	<u>355,028</u>

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

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### Restricted Funds

#### Guernsey Aid

In 2019 we received a grant from the Guernsey Government to construct toilets and fund hygiene awareness programmes in the district of Makwanpur.

#### Marigold House

In March 2018 we opened a new Safe House for girls who have been rescued from sexual exploitation.

#### Safe in School

This fund is restricted to activities in rural schools that will increase attendance rates and reduce trafficking, such as midday meal programmes, model classrooms and anti-trafficking workshops.

#### Teacher Training

We train teachers in child-centred methods to increase engagement and therefore attendance levels.

#### Miteree Foundation

We support a small charity in Nepal that works with marginalised children from the Chepang community.

#### VOC Training Youth

Youth Transition Project supporting young people into jobs and independent living.

#### COVID Appeal

In 2020 we launched an emergency appeal to support communities in Nepal where we already work who were affected by the national lockdown.

Within unrestricted funds is a grant from the Alchemy Foundation (£12,500) which has been given as a contribution towards the CEO's salary.

# CHILD RESCUE NEPAL

## Notes to the Financial Statements

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### 12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Represented by:				
Tangible fixed assets	264	0	264	648
Current assets	319,766	42,065	361,831	312,378
Current liabilities	(7,067)	0	(7,067)	(4,814)
	<b>312,963</b>	<b>42,065</b>	<b>355,028</b>	<b>308,212</b>

### 12. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities or capital commitments as of 31 July 2021 (2020 – none).

### 13. FINANCIAL INSTRUMENTS

Financial assets that are debt instruments measured at amortised cost comprise other debtors. At the year end, the charity had no liabilities that were classified as financial instruments.

### 14. RELATED PARTIES

The charity has no ultimate controlling party.

No Trustees, or persons connected with the Trustees, have received any remuneration from the charity. In the opinion of the Trustees there are no related party transactions falling to be disclosed in these accounts.